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Whose Money Is it — and What Is It Good For?

When critics of the GOP tax cut ask, “*What can you do with \$300, or even \$600?*” – what they’re really saying is: “*We — the Government — can spend your money better than you can.*”

Well, they can’t. What *can* an American taxpayer do with \$300 or \$600? As the charts detail, lots of things! —

- \$300 in an interest-bearing savings account helps prepare for future needs.
- Parents can outfit their children for school.
- Single taxpayers can pay for vacation travel, kitchen furnishings, or reduction of credit card debt.
- They can make a car payment, buy a futon bed, or some new clothes for business or leisure.
- A family can extend their vacation for a few days, take in a baseball game, or fill up the family car, or pay a big chunk of their yearly gas bill.
- They can take a 3-day camping trip, upgrade the family computer, buy a year’s supply of diapers, or give the home a good sprucing up.

. . . and much, much more. The rebate portion of the GOP tax cut will have an immediate and significant impact for tens of millions of Americans at all income levels. The critics can sneer at a “measly” \$300 or \$600. But real people can use the dough, and they can use it *now*. After all, they are the ones who earned it!

What a Family Can Do with the \$600 Tax Rebate		
Item/Activity	Cost	% Covered by \$600
Extended Vacation (Avg. 8 days)	\$2,173	28%
Home Decorating for the Year (ie. Carpeting, New Furniture)	\$768	78%
Baseball Game Package 6 trips to an Atlanta Braves game for a family of 4 (MasterCard Family Value Package, which includes four Upper Level tickets, four hot dogs, four soft drinks, one parking pass, one game program, and Braves binoculars), \$98 per game	\$588	102%
Halloween Shopping Candy, costumes, pumpkins, decorations, entertainment	\$88	681%
Average Monthly Mortgage in America	\$777	77%
Christmas Spending Including travel, entertainment, decorations, and gifts	\$1,684	35%
Gasoline for Four Months \$600 would buy 428 gallons of gas, which accounts for one-third of the average family's annual gasoline consumption. (Gasoline at \$1.40/gal national average from www.gaspricewatch.com)	\$599.20	100%

What a Family Can Do with the \$600 Tax Rebate

Credit Card Debt	\$600	100%
By using \$600 to pay off revolving balance on an 18%-interest credit card, the family saves \$1400 in excessive credit card interest costs over the next five years.		
Item/Activity	Cost	% Covered by \$600
Camping Trip	\$516.56	116%
3 Days, 2 Nights Camping at Shenandoah Hills Campground, \$40.00 (www.gocampingamerica.com/sheandoahhills); From www.rei.com : 4-person Eureka Timberline Tent (\$140.00); 4 REI Polar Pod Regular Length Sleeping Bags (\$139.96); 4 Thermarest Long Sleeping Pads (\$52.00); Century Standard 2-Burner Stove (\$42.95); Century Mighty-Lite Propane Lantern (\$15.95); 4 Princeton Tech Blast Flashlights (\$39.80); Coleman Xtreme Poly-Lite Cooler (\$37.95) Adventure Medical Go Outdoors First-Aid Kit (\$7.95)		
Computer	\$799	75%
Includes monitor, keyboard, speakers, CD Rom, and the Intel celoron processor at www.gateway.com		

What a Family Can Do with the \$600 Tax Rebate

<p align="center">One Year of Retirement Living</p> <p>\$56,000, or one year of retirement living in the year 2041 (\$600 invested in equities for 40 years assuming the historical nominal return of 12 percent.)</p>	<p align="center">\$600</p>	<p align="center">100%</p>
<p align="center">Item/Activity</p>	<p align="center">Cost</p>	<p align="center">% Covered by \$600</p>

What a Family Can Do with the \$600 Tax Rebate

Back-to-School Package		
<p style="text-align: center;"><u>For the Elementary School Student:</u></p> <p>Crayola Pencil Pouch Kit with Crayons, School Glue, Scissors, Colored Pencils, Highlighter, and Pouch (\$11.99), Loose Leaf Paper (\$3.69 for 800 sheets), Five Star Zipper Binder (\$6.96), Backpack (\$14.96), Barbie Lunch Kit (\$7.00), Short Sleeve Poplin Blouse (\$7.64), 2 Solid-color Tees (\$8.98), Zip-front Hooded Sweatshirt (\$12.99), Corduroy Skirt (\$14.99), Girls Crew Socks (4.50), Cargo pants (\$17.99), Xhilaration Denim Jean (\$17.99), Rhinestone Cleat Shoes (\$34.99)</p> <p style="text-align: center;"><u>For the Middle School Student:</u></p> <p>Folders (\$1.79 for 10), Bic Mechanical Pencils (\$2.50), 10-Pack Bic Pens (\$.64), Loose Leaf Paper (see above), 6 Notebooks (\$2.69), Five Star Zipper Binder (\$6.96), Animal Print Insulated Lunch Cooler (\$9.99), Backpack, (\$14.96), Magnetic Locker Basket (\$4.99), Toggle Pants (\$17.88), Hanes Premium Crew Socks, 6-pack (\$7.99), Chinos (\$21.99), 2 Short Sleeve Oxford Shirts (\$29.98), Pique Polo Shirt (\$8.99), Wrangler Carpenter Jeans (\$19.99), Airwalk Sneakers (\$24.90)</p> <p style="text-align: center;"><u>For the High School Student:</u></p> <p>Bic Mechanical Pencils (\$2.50), 10-Pack Bic Pens (\$.64), Loose Leaf Paper (see above), Mesh Pocket Nylon Binder (\$6.99), Corduroy Tote Bag (\$14.99), 6 Notebooks (\$2.69), Folders (see above), Scientific Calculator (\$19.99), Scooped Neck Ribbed Sweater (\$14.99), Low Rise Flared Jeans (\$24.99), Low Rise Twill Pants (\$24.99), 2 Cap Sleeve Fashion Tees (\$15.98), Denim Jacket (\$24.99), Seychelles Loafers (\$34.90)</p>	\$525.05	114%

What a Single Parent Can Do with the \$500 Tax Rebate

Item/Activity	Cost	% Covered by \$500
<p style="text-align: center;">Nursery Package</p> <p>Deluxe Bassinet (\$49.99), Mattress (\$29.98), Baby Tykes Fitted Crib Sheet (\$9.99), Baby Tykes Fitted Waterproof Crib Pad (\$10.99), Nursery Care Kit for Baby (\$6.99), Graco Safari Glider Literider Stroller (\$79.99), Graco Safari Pack 'N Play Playpen (\$99.99), Graco Safari Snugride Infant Car Seat (\$59.99), Graco Neatseat Highchair (\$49.99), AVENT Infant Feeding Set (\$19.99), Graco Ultra Clear Monitor Radio (\$39.99) at www.target.com</p>	\$457.88	109%
<p style="text-align: center;">Day at a Spa</p> <p>Maine Chance Day Spa Package at Elizabeth Arden Spa, including Swedish Body Massage, Red Door Facial, Spa Manicure, Spa Pedicure, Haircut, Shampoo & Style, Makeup Lesson with Application, and Spa Lunch (\$370), at Elizabeth Arden; Babysitter for 12 hours (\$120)</p>	\$490	102%
<p style="text-align: center;">Car Payment for Two Months</p> <p>Two Months Worth Car Payment (\$238.82 a month) on a Used 1997 Volkswagen Jetta GL III 4D Sedan, priced at \$10,598, from www.carmax.com at 3.9% over 48 months</p>	\$477.64	100%
<p style="text-align: center;">Gasoline for Six Months</p> <p>\$500 can purchase 357 gallons of gas, which accounts for half the average yearly consumption of gasoline for the average licenced driver in America. (Gasoline at \$1.40/gal Nationwide Average from www.gaspricewatch.com)</p>	\$499.80	100%
Item/Activity	Cost	% Covered by \$500

What a Single Parent Can Do with the \$500 Tax Rebate

<p align="center">Year's Supply of Diapers</p> <p>5 packs of 136-count Pampers Baby Dry Diapers, Small (\$114.95), 6 packs of 160-count Pampers Baby Dry Diapers, Medium (\$179.94), 4 packs of 136-count Huggies Utratrim Diapers, Large (\$119.96) at www.costco.com</p>	<p align="center">\$414.85</p>	<p align="center">120%</p>
<p align="center">Home Cleaning Supplies</p> <p>Hoover WindTunnel Deluxe Bonus \$219.99 at Costco.com Quickie Handi Squeeze Sponge Mop, \$10.99 Rubbermaid Bucket, \$5.19, Swiffer Starter Kit, \$10.99 Quickie All-pupose Broom, \$7.99 Quickie Bowl Brush, \$1.79 Glad Trash Bags, \$4.99 Best Yet Wastebasket Liners, \$1.99 Bounty Paper Towels, \$1.29 Ajax, \$.65 Pine Sol Cleaner and Anitbacterial Spray, \$2.69 Drano Buildup Remover, \$6.99 Pledge Lemon Furniture Polish, \$2.39 Sani-Flush Bowl Cleaner, \$2.89 Scrubbing Bubbles Anti-Bacterial Bathroom Cleaner, \$2.59 Tilex Instant Mildew Remover, \$2.19 Windex Trigger No Drip, \$2.99 Handi Wipes Reusable Cloths, \$1.75 At McCaffrey's Supermarket</p>	<p align="center">\$290.34</p>	<p align="center">172%</p>
<p align="center">Maid Service</p> <p>Four Professional Home Cleaning Visits by Merry Maids</p>	<p align="center">\$490</p>	<p align="center">102%</p>
<p align="center">\$1,240 for Primary School Tuition</p> <p>Thinking ahead for a newborn child's primary education, a parent could invested \$500 in equities now. By 2009 the fund would grow to \$1,240, assuming historical nominal return of 12 percent.</p>	<p align="center">\$500</p>	<p align="center">100%</p>

What a 22-Year-Old Single Can Do with the \$300 Tax Rebate		
Item/Activity	Cost	% Covered by \$300
<p align="center">Beach Vacation</p> <p>Roundtrip from BWI to the Beach in Fort Lauderdale, FL on Southwest Airlines</p>	\$290	103%
<p align="center">Kitchen Furnishings</p> <p>George Foreman Medium Indoor Grill with Timer (\$59.99); Samsung 1.0 Cu Ft, 1100-Watt Microwave (\$89.99); Hamilton Beach Wide Slot Toaster (2 Slots, \$24.99); 60-Pc Kitchen in a Box (\$49.99); Tripoly Dinnerware (16-Pc Set, Service for 4, \$9.99); Danube Flatware (20-Pc Set, \$14.99); Rubbermaid 18-Pc Servin' Saver (\$11.99)\ at www.target.com</p>	\$261.93	114%
<p align="center">Payment on Credit Card Debt</p> <p>\$300 in debt at an annual interest rate of 18% translates to \$54 dollars additional debt every year (and even more with compound interest). Paying the \$300 now is like earning \$54 every year.</p>	\$300	100%
<p align="center">TV/VCR</p> <p>RCA 25" TV-VCR Combo from www.bestbuy.com</p>	\$299	100%

What a 22-Year-Old Single Can Do with the \$300 Tax Rebate		
Christmas Decorations (Consumer Avg, 2000)	\$88	341%
Average Monthly Rent	\$775	39%
Item/Activity	Cost	% Covered by \$300
Monthly Car Payment Payment on a Used 1998 Chev. Camaro 2D Coupe, priced at \$13,598, from www.carmax.com at 3.9% over 48 months	\$261.47	114%
Futon Black Metal Futon Frame with 6" Mattress (\$179, #2334), and SIS Black Twill Full Futon Cover (\$56) from www.zfurniture.com (Z Futon and Furniture, Alexandria and Dupont Circle)	\$235	127%
Madonna Live Ticket to Madonna's Drowned World Tour Concert, Best Seats in the House at MCI Center, Washington, D.C.	\$250	120%
Trip to The Gap, Women's Section 1 pair Flare Jeans, stonewashed (\$29.99); White Stretch Boot Cut Capris (\$44.00); Red Stretch Poplin Pencil Skirt (\$38.00); Short-Sleeved Stretch Tee (\$16.50); Muscle Shell Tank Top, Soft Lilac (\$14.50); Light Cirrus Blue Sleeveless Linen Shirt (\$28.00); Essential Long-Sleeved Shirt, White (\$34.00); Light Gray Classic Pleated Shorts (\$29.50); Boot Cut Khakis, Sand (\$38.00) www.gap.com	\$272.49	110%
Item/Activity	Cost	% Covered by \$300

What a 22-Year-Old Single Can Do with the \$300 Tax Rebate		
<p>Trip to The Gap, Men's Section</p> <p>1 pair Industrial Jeans (\$49.50), Easy fit Flat Front Khaki (19.99), Pique Polo (\$14.99), Military Shirt, (\$29.50), Fitted Baseball Tee (\$19.50), Bomber Jacket (\$39.50), Classic Fit Oxford (\$24.00) Long Sleeve Poplin Shirt (\$34.00), Hooded Zip-front Sweatshirt (\$29.50) www.gap.com</p>	\$260.48	115%
<p>Gasoline for Three and a Half Months</p> <p>\$300 would buy 214 gallons of gas, which would account for almost a third of the average licensed driver's annual gasoline consumption. (\$1.40/gal Nationwide Average from www.gaspricewatch.com)</p>	\$299.6	100%
<p>Rainy Day Fund</p> <p>Put the \$300 in an interest-bearing savings account so that future job searches won't necessitate going into debt.</p>	\$300	100%